

ARIZONA DEPARTMENT OF EDUCATION

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Superintendent of
Public Instruction



STATE OF ARIZONA

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SCHOOL FINANCE MEMORANDUM 07-014

TO: District Superintendents, District Business Managers, and Career Ladder Program Directors

FROM: Philip Williams, Deputy Associate Superintendent of School Finance

DATE: September 15, 2006

SUBJECT: FY 2007 Changes in Career Ladder Budget Capacity Calculations and Posting of Reports
Pursuant to 15-918 through 15-918.05.

The FY 2007 Career Ladder Reports are posted on the School Finance website at:

http://www.ade.az.gov/schoolfinance/Reports/CareerLadder_OPIP/

Please review 15-918 and 15-918.02 for determining appropriate Career Ladder expenditures.

For FY 2007, ADE School Finance is now calculating the Career Ladder Growth amount to assist you in your budget planning processes. There is an added line under "Weighted Student Count" to capture the Sudden Growth Weighted Student Count, and also, an added line under "Final Career Ladder Budget Capacity" indicating the Career Ladder Growth Budget Capacity that is included in the Final Career Ladder Budget Capacity. Please find attached an example report with the new lines highlighted.

These Career Ladder Reports will be updated to include your 100th Day Sudden Growth Weighted Student Count immediately after the April 15, 2007 apportionment so as to provide assistance in the preparation of your May 15, 2007 Final Budget Revision. These amounts will again be revised once the FY 2007 Growth Recalculation is complete by the Fall of 2007.

This change gives districts an opportunity to maintain additional Maintenance and Operation (M&O) dollars in their M&O Fund Budget Balance Carry forward calculation. The Career Ladder Unexpended Budget Carry forward is subtracted from the total M&O Fund Budget Balance Carry forward prior to the 4% carry forward limit calculation. The resulting additional "Growth" Career Ladder dollars should be used to assist in the development of the new teaching staff for these high growth districts.

Also, due to recent changes to Arizona Revised Statutes §15-393, and the requirements of USFR Memorandum No. 219, all revenues received from a Joint Technological Education District (JTED), including Career Ladder revenues, must be recorded in an Intergovernmental Agreement Fund such as Fund 955. **Please note that with the recent USFR Chart of Accounts revision, districts must record revenues received from a JTED in Fund 596 starting in FY 2008.** Questions regarding USFR Memorandum No. 219 and the appropriate use of JTED monies, including Career Ladder monies passed through the JTED, should be directed to the Office of the Auditor General, Accounting Services Division. ADE School Finance will not be considering these JTED Career Ladder expenditure amounts in your Career Ladder Unexpended Budget Carry forward calculation. The Career Ladder Program area, however, will require that these Career Ladder expenditures be reported on their Budget Template.

If you have any questions or concerns regarding your reports or the information included in this memorandum, please contact Bonnie Betz at 602-542-8244 or by email at bbetz@ade.az.gov or for Career Ladder Program information please contact Lisa Kelley at lkelly@ade.az.gov.